

**ASSEMBLY BILL**

**No. 8**

**Introduced by Assembly Member Simitian**

May 15, 2001

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An act to add and repeal Section 2774.7 of the Public Utilities Code, relating to public utilities, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 8, as introduced, Simitian. Rotating service outages: conservation: priorities.

(1) Existing law requires the Public Utilities Commission, if an electrical or gas corporation experiences any shortage of capacity or capability in the generation, production, or transmission of electricity or gas and is unable to obtain electricity or gas from any other source so that the corporation is unable to meet all demands by its customers, to order that service be temporarily reduced by an amount that reflects specified priorities for the duration of the shortage.

This bill, until January 1, 2003, would require the commission to require an electrical corporation to exempt a circuit subblock, as defined, from rotating service outages in any month that the circuit subblock achieves a 10% or greater reduction in electricity use from the same month in calendar year 2000. The bill, notwithstanding that provision, would require an electrical corporation, if a rotating service outage is implemented, to prioritize circuit subblocks that achieve such a reduction, based on the amount of savings achieved by qualifying subblocks, with those subblocks achieving the highest amount of savings being subjected to a rotating service outage last. Because a

violation of a rule or order of the commission is a crime, this bill would impose a state-mandated local program by creating a new crime.

(2) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

(3) This bill would declare that it is to take effect immediately as an urgency statute.

Vote: <sup>2</sup>/<sub>3</sub>. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

*The people of the State of California do enact as follows:*

1 SECTION 1. (a) The Legislature finds and declares that  
2 California is in the midst of an energy crisis that requires both an  
3 increase in the supply of energy and a reduction in demand.

4 (b) It is the intent of the Legislature to immediately encourage  
5 businesses and residents to reduce their energy consumption, in  
6 order to help make it possible for more electricity to be available  
7 for critical summer months when peak demand for electricity is  
8 expected to be substantially more than will be available for use.

9 SEC. 2. Section 2774.7 is added to the Public Utilities Code,  
10 to read:

11 2774.7. (a) The commission shall require an electrical  
12 corporation to exempt a circuit subblock from rotating service  
13 outages in any month that the circuit subblock achieves a 10  
14 percent or greater reduction in electricity use from the same month  
15 in calendar year 2000. As used in this section ‘circuit subblock’  
16 means the smallest unit on the state transmission system that can  
17 be controlled by an electrical corporation to implement this  
18 section.

19 (b) Notwithstanding subdivision (a), if a rotating service  
20 outage is implemented, an electrical corporation shall prioritize  
21 circuit subblocks that comply with subdivision (a), based on the  
22 amount of savings achieved by qualifying subblocks, with those  
23 subblocks achieving the highest amount of savings being  
24 subjected to a rotating service outage last.

(c) This section shall remain in effect only until January 1, 2003, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2003, deletes or extends that date.

SEC. 3. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.

SEC. 4. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to encourage businesses and residents to reduce their energy consumption as soon as possible, thereby preserving the public peace, health, and safety in order to help make it possible for more electricity to be available for critical summer months when peak demand for electricity is expected to be substantially more than will be available for use, it is necessary for this act to take effect immediately.

